

## UNAUDITED RESULTS FOR THE SIX MONTHS TO 30 JUNE 2018

The Directors of British American Tobacco Uganda Limited announce the unaudited results for the six months ended 30 June 2018. The extracts of the financial statements are as follows:

	2018	2017
	Ushs'm	Ushs'm
Gross revenue	73,683	74,582
Excise Duty and Value Added Tax (VAT)	(40,405)	(41,850)
<b>Net revenue</b>	<b>33,278</b>	<b>32,732</b>
Operating profit	8,824	5,328
Finance income / (costs)	103	(291)
<b>Profit before tax</b>	<b>8,927</b>	<b>5,037</b>
Income tax expense	(2,750)	(1,532)
<b>Profit after tax</b>	<b>6,177</b>	<b>3,505</b>
Earnings per share (Ushs)	126	71

	2018	2017
	Ushs'm	Ushs'm
<b>Equity and Non-current liabilities</b>		
Shareholders' equity	32,962	30,343
Non-current liabilities	4,926	3,356
	<b>37,888</b>	<b>33,699</b>
<b>Assets</b>		
Non-current assets	31,234	32,455
Current assets	18,532	53,589
Current liabilities	(11,878)	(52,345)
	<b>37,888</b>	<b>33,699</b>

	2018	2017
	Ushs'm	Ushs'm
<b>Cash generated from / (used in) operations</b>	<b>10,135</b>	<b>(34,195)</b>
Cash used in investing activities	-	(14)
Cash (used in)/generated from financing activities	(12,037)	28,598
<b>Decrease in cash &amp; cash equivalents</b>	<b>(1,902)</b>	<b>(5,611)</b>
At the start of the period	3,996	6,068
<b>At the end of the period</b>	<b>2,094</b>	<b>457</b>

	Share capital	Revaluation surplus	Retained earnings	Total
	Ushs'm	Ushs'm	Ushs'm	Ushs'm
<b>At 1 January 2017</b>	<b>61</b>	<b>13,072</b>	<b>21,516</b>	<b>34,649</b>
Profit for the period	-	-	3,505	3,505
Dividends	-	-	(7,811)	(7,811)
<b>At 30 June 2017</b>	<b>61</b>	<b>13,072</b>	<b>17,210</b>	<b>30,343</b>
<b>At 1 January 2018</b>	<b>61</b>	<b>12,769</b>	<b>26,083</b>	<b>38,913</b>
Profit for the period	-	-	6,177	6,177
Dividends	-	-	(12,128)	(12,128)
<b>At 30 June 2018</b>	<b>61</b>	<b>12,769</b>	<b>20,132</b>	<b>32,962</b>

### Business performance

The Company continues to deliver stable results in a challenging business environment.

Gross revenue remained relatively flat at Ushs 73.7 billion. Operating Profit increased to Ushs 8.8 billion due to a lower cost base attributable to the absence of one-off costs incurred in the first half of 2017 to support compliance with the Tobacco Control Act, 2015.

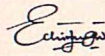
Consequently, profit after tax for the period was Ushs 6.2 billion, reflecting the impact of higher operating profit and lower financing costs.

Cash generated from operations increased to Ushs 10.1 billion reflecting enhanced working capital management during the period.

The Company remains a significant contributor to Government revenues. Excise Duty and Value Added Tax (VAT) contribution for the six months to 30th June 2018 stood at Ushs 40.4 billion.

Our engagements with the relevant Government agencies continue to advocate for a more stable taxation regime, reduction in the illicit trade incidence and regulations that are sound, evidence-based and that have gone through a formal consultative process.

Kampala  
25 July 2018



By Order of the Board  
Nicholas Echim  
Company Secretary

Details: Enquiries may be addressed to the Company Secretary on P. O. Box 7100, Kampala; Telephone No. +256 31 2200100

*Matus*  
26<sup>th</sup> July 2018



26/07/2018